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Your bridge to financial freedom

December 22, 2010

Jennifer J. Johnson
Secretary, Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Re: Comment Call (10-17)

Dear Jennifer,

This letter is in response to Comment Call 10-17, Regulation Z – Voluntary Credit Insurance Premiums; Voluntary Debt Cancellation and Debt Suspension Fees.

I am not a supporter of the view in this proposal. These forms create a swayed view on these products and the model form provides information that is already provided to the consumer in another manner. For example, the consumer is already signing a document stating that they elect to have coverage that details the cost, qualifications, and exclusions. Another point that needs to be made is that members have the option of cancelling their voluntary credit insurance at any time throughout the life of their loan.

Our financial institution would be required to incur additional cost for programming the new forms in the event that this proposal is accepted as is. The feeling is that this is unnecessary expenses for the same reason stated above in regards to the same information being provided twice.

Finally, I would like to make mention that the benefits paid out to our members with our current insurance provider have outweighed the number of premiums paid. These products have been such a benefit to our member, especially in the time of need. Insurance is a form of risk management primarily used to hedge against the risk of contingent, uncertain loss. With this being said, it should be assumed that you may not receive any benefits by purchasing a product of this nature. Just as I have paid close to \$14,000 in auto insurance over the past 14 years to drive my car around hoping that I never have to make a claim.

I am happy to clarify my responses or answer any additional questions.

Sincerely,

A handwritten signature in cursive script that reads 'Jamie L. Tovarez'.

Jamie Tovarez
Lending Manager